



STATE OF INDIANA

OFFICE OF THE TREASURER

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FOR IMMEDIATE RELEASE

02.07.08

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State Treasurer Richard Mourdock Cuts Interest Rate on Treasurer's Agricultural Loan Program to 3.5%

Reduced rate will provide additional financial assistance to Hoosier livestock farmers

INDIANAPOLIS (February 07, 2008) – State Treasurer Richard Mourdock cut the interest rate on the Treasurer's Agricultural Loan Program (TALP) to 3.5% in order to provide additional financial assistance to Hoosier livestock farmers.

"Given the drastic slowdown in the economy, I deemed it necessary to cut the interest rate on TALP loans to 3.5%," explained Treasurer Mourdock. "I am pleased to do my part in providing additional financial assistance to Hoosier livestock farmers."

The TALP program was re-established in 2007 by State Treasurer Richard Mourdock for the purpose of providing low interest loans to Hoosier livestock farmers that raise beef cattle, dairy cattle, sheep, and goats.

Due to a late frost last spring followed by an extended summer drought, hay yields decreased by 35% while hay prices doubled. In response to that financial stress, Hoosier livestock farmers had to make difficult financial decisions regarding their farming operations, which are still being realized in 2008.

TALP is a low interest loan program in partnership with local banks and credit unions. The Treasurer of State's Office purchases a certificate of deposit from a local lender at a reduced rate, and in turn the local lender provides a loan to the farmer at a reduced rate. The State Treasurer can adjust the interest rate on TALP loans on a quarterly basis, and the certificates of deposit are funded on the 1st and 15th of each month.

"I have the unilateral discretion to reduce interest rates on TALP loans when circumstances warrant it," stated Mourdock. "Because of the current condition of the economy, I felt it necessary to reduce rates now and not wait until the second quarter to do so."

For more information on TALP, please visit the Treasurer of State's website, www.in.gov/tos, or call his office at (317)232-6386.